



Legislative Bulletin.....July 10, 2007

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Summary of the Bills Under Consideration Today

Total Number of New Government Programs: 6

Total Cost of Discretionary Authorizations: \$95.5 million in FY2008, \$455.9 million over five years

Effect on Revenue: 0

Total Change in Mandatory Spending: 0

Total New State & Local Government Mandates: 0

Total New Private Sector Mandates: 0

Number of Bills Without Committee Reports: 8

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 0

H.R. 359 — Cesar Estrada Chavez Study Act (*Solis, D-CA*)

Order of Business: The bill is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 359 would authorize the Secretary of the Interior to conduct a special resource study of significant sites in the life of Cesar Chavez and the farm labor movement. The results of the study would be used to determine the best method for preserving such sites, and whether those sites meet the criteria for designation as a national historic landmark or listing in the National Register of Historic Places. The Secretary would also coordinate with the Cesar Chavez Foundation along with the United Farm Workers Union to consider sites for the potential creation of a Cesar E. Chavez National Park.

Additional Information: Cesar Estrada Chavez was born in Yuma, Arizona, in 1927 and work with his family as a migrating farm laborer. In 1952, Chavez joined the Community Service Organization, a Hispanic civil rights organization, where he became active in the migrant worker labor movement. Ten years later, Chavez founded the United Farm Workers of America (UFWA), which promoted organized labor and unionization among migrant workers in the American Southwest. From 1962 until his death in 1993, Chavez worked to increase the size and power of the UFWA, staging strikes, boycotts, rallies, and marches and zealously recruiting migrant farmers.

Opinions concerning Chavez's overall historic legacy have been mixed. Although Chavez is a hero to organized labor and immigrant rights groups, some argue that he and his UFWA representatives often used violence and intimidation against farmers or laborers that did not wish to join the organization. .

Former UFWA organizer and associate of Chavez, Joe R. Hicks, testified against the proposed study and subsequent historic designations before the Natural Resources Committee on March 29, 2007. Hicks said that, "while Chavez was laid to rest and eulogized as a man of peace and nonviolence, almost none of his followers – those that I had known and worked with – has eschewed the use of violence against those who opposed them and their tactics. It was clear to me that they believed that Chavez quietly approved of their heavy-handed tactics – in the main employed against impoverished agricultural field workers." Hicks argued that, because there is no consensus concerning Chavez's actual legacy, the government should not honor him in the same way it has honored other important Americans.

Possible Conservative Concerns: Some conservatives may be concerned that the bill uses federal funds to finance a study that could eventually lead to the establishment of federally designated historic sites, or a National Park, for a historical figure who is accused, by some, of encouraging violence and intimidation as tools to organize laborers.

Committee Action: H.R. 359 was introduced on May 3, 2007, and referred to the Committee on Financial Services, which held a mark up on May 23, 2007. On June 21, 2007, the bill was reported, as amended,

Cost to Taxpayers: According to CBO, the Cesar Chavez study Act would cost approximately \$250,000 over three years.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717

H.R. 2121 — To modify a land grant patent issued by the Secretary of the Interior (*Stupak, D-MI*)

Order of Business: The bill is scheduled for consideration on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2121 would modify a land grant patent (number 61-2000-0007) issued by the Secretary of the Interior to the Great Lakes Shipwreck Historical Society in Chippewa County, Michigan, allowing the Society to fully utilize the property (which was conveyed to the Historical Society by the Interior Department in 1996.

Additional Information: According to CQ, “In 1992, the Interior Department issued a land grant patent allowing the Great Lakes Shipwreck Historical Society of Chippewa County, Mich., to operate the Great Lakes Shipwreck Museum. In 2002, the historical society finalized a new management plan to expand and improve the museum’s services. The patent, however, explicitly refers to the museum’s old management plan and must be changed in order for the museum to implement its new management plan.”

An identical bill, H.R. 3606, was passed in the House by voice vote on September 27, 2006, but was not acted upon by the Senate.

Committee Action: H.R. 2121 was introduced on May 2, 2007, and referred to the Committee on Natural Resources’ Subcommittee on National Parks, Forests, and Public Lands, which took no official action.

Cost to Taxpayers: A CBO score of H.R. 2121 is unavailable, but the bill does not authorize new expenditures.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717

H.R. 2381 — Upper Mississippi River Basin Protection Act (Kind, D-WI)

Order of Business: The bill is scheduled for consideration on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

An almost identical bill, H.R. 5340, passed the House during the 109th Congress by voice vote on September 27, 2006.

Summary: H.R. 2381 would require the Interior Secretary, acting through the U.S. Geological Survey, to establish a nutrient and sediment monitoring network for the Upper Mississippi River Basin. Additional provisions of the bill are as follows:

- directs the Secretary to: 1) establish guidelines for related data collection and storage activities; 2) inventory the sediment and monitoring efforts of governmental and nongovernmental entities for the purpose of creating a baseline understanding of overlap, data gaps, and redundancies; and 3) collaborate with other public and private monitoring efforts in establishing the monitoring program;
- directs the National Research Council of the National Academy of Sciences to conduct a water resources assessment of the Basin;
- requires the Director of the U.S. Geological Survey to establish: 1) a computer modeling program of nutrient and sediment sources in the Basin; and 2) an Internet-based system to distribute information about nutrient and sediment loss reduction projects and nutrient and sediment levels in the Upper Mississippi River and its tributaries; and
- Authorizes appropriations of \$6.25 million each fiscal year to carry out this Act.

Unlike H.R. 5340, which passed by a voice vote in the 109th Congress, **H.R. 2381's authorization would not sunset after ten years.**

Committee Action: H.R. 2381 was introduced on May 15, 2007, and referred to the Committee on Natural Resources. On May 21, 2007, the bill was referred to the Subcommittee on Water and Power, which took no official action.

Cost to Taxpayers: A CBO score for H.R. 2381 is not available, but a score for a similar bill passed in the 109th Congress, H.R. 5340, indicates that implementing the bill would cost \$31 million over the FY 2008-FY2012 period and about \$6 million annually thereafter.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: Although a Committee Report citing constitutional authority is not available for H.R. 2381, a report on similar legislation from the 109th Congress, House Report [109-561](#), cites constitutional authority in Article I, Section 8, Clause 3 (the power of Congress to regulate commerce).

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 986 — Eightmile Wild and Scenic River Act (*Courtney, D-CT*)

Order of Business: The bill is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 986 would designate a 25 mile stretch of the Eightmile Wild River, in south-central Connecticut, as a part of the Nation Park System's National Wild and Scenic Rivers System, to be administered by the Secretary of Interior. The bill would allow the Secretary to enter into planning and management agreements with state and local authorities to administer the scenic area, and would authorize such sums as would be necessary for this purpose.

Additional Information: According to a briefing paper, written by the Republican staff on the Subcommittee on National Parks, Forest and Public Lands:

The Wild and Scenic Rivers Act was established in 1968 to impede the progress of dam construction. The act puts a freeze on the condition of land at the time of enactment by requiring that the designated river 'be preserved in free-flowing condition, and they and their immediate environments shall be protected.' The National Park Service (NPS) then has the authority to prohibit projects on any federal lands in the designation and is required to work on local zoning policy to further restrict land use on private land. The NPS also has the authority to purchase land and easements. It may purchase up to 100 acres per mile of

designated river, but is not limited in the amount of easements they may purchase. If the NPS is unable to reach an agreement on price, there exists authority to condemn private land, if the NPS concludes that the land is necessary to protect 'resource values'.

In its current form, the bill places new burdens on property owners, which limits what they can do with their property, and provides no compensation. During the subcommittee markup, an amendment was offered that would have strictly prohibited the NPS from obtaining land through condemnation, but allowing for the Park Service to purchase or accept donated land. This amendment was defeated on a party-line vote, and due to the fact that the bill will be considered under suspension of the rules, members will be unable to offer any further amendments on the floor. In light of these facts, a letter in opposition to the bill was drafted and signed by all 14 Republican members of the subcommittee.

According to findings listed in the bill and a committee report for a similar Senate bill (S. 553, Senate Report 110 – 094), the Eightmile Wild and Scenic River Study Act of 2001 authorized a study of the Eightmile River for potential inclusion in Nation Scenic River System. The study was since conducted and it was recommended that the area be designated as a National Wild and Scenic Rivers System.

RSC Bonus Fact: The Eightmile Wild and Scenic River System is located in the same Congressional district where the historic property rights case *Kelo v. City of New London* originated.

Possible Conservative Concerns: Some conservatives may be concerned that the bill falls short in preserving and protecting private property rights and that it limits what property owners can do with their land while providing no compensation. Additionally, some conservatives may be concerned that there will be no opportunity to address these problems on the House floor because the bill is being considered under suspension of the rules.

Committee Action: H.R. 986 was introduced on February 15, 2007, and referred to the Committee on Financial Services. On April 11, 2007, the bill was referred to the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, which took no official action.

Cost to Taxpayers: According to CBO, "the proposed designation would not significantly affect the agency's administrative or land-management costs, which are subject to appropriation."

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 1337 — To provide for a feasibility study of alternatives to augment the water supplies of the Central Oklahoma Master Conservancy District and cities served by the District (Cole, R-OK)

Order of Business: The bill is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1337, as amended, would authorize the appropriation of \$900,000 for the Bureau of Reclamation (BOR) to conduct a three year feasibility study of possible alternatives to enhance the water supplies of the Central Oklahoma Master Conservancy District.

Additional Information: According to findings listed in the bill, as introduced, and later removed by committee amendment, Thunderbird Lake, in Central Oklahoma, which is managed by the Central Oklahoma Master Conservancy District, was created by the construction of Norman Dam in 1965. The lake supplies the municipal water to the cities of Norman, Midwest City, and Del City, Oklahoma. A 2005 study, conducted by the BOR, determined that the water supply in the area would need to be increase in order to support the growing population, but said that a feasibility study would need to be conducted to determine the proper method of increasing the water supply. An identical Senate bill, S. 175, was introduced and passed by voice vote in the 110th Congress.

As introduced, H.R. 1337 would have authorized \$100,000 for a one-year feasibility study. When the bill was amended in committee, however, its authorization was expanded.

Committee Action: H.R. 1337 was introduced on March 6, 2007, and referred to the Committee on Natural Resources' Subcommittee on Water and Power, which held a mark up on April 19, 2007 and report the bill to the full committee by unanimous consent. On June 28, 2007, H.R. 1337 was reported, as amended, by voice vote.

Cost to Taxpayers: According to CBO, H.R. 1337 would authorize \$300,000 in FY 2008 and \$900,000 over the FY 2008-FY 2012 period.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. A committee report for an identical Senate bill (S. 175, Senate Report 110 – 111), does not cite any constitutional authority.

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 1725 — Rancho California Water District Recycled Water Reclamation Facility Act of 2007 (Bono, R-CA)

Order of Business: The bill is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1725 would authorize the Secretary of the interior to participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, and desalination, and distribution of non-portable water supplies in Southern Riverside County, California. The bill would authorize the lesser of 25 percent of the total cost of the project or \$20 million.

Additional Information: According to the Rancho California Water District, a local cooperative that serves about 120,000 customers in the Rancho area, the rapid growth of the area has necessitated a search for new ways to increase the local water supply. The money from this authorization will be used to plan and build new water facilities for this purpose. The estimated cost of the project is \$103 million, making it more likely that the federal share will be \$20 million, rather than 25 percent of the total cost.

Committee Action: H.R. 1725 was introduced on March 28, 2007, and referred to the Committee on Natural Resources. On April 4, 2007, the bill was referred to the Subcommittee on Water and Power, which held a mark up on June 12, 2007 and reported the bill to the full committee by unanimous consent. On June 28, 2007, H.R. 1725 was reported, as amended, by voice vote.

Cost to Taxpayers: According to CBO, H.R. 1725 would authorize \$10 million over the FY2008-FY2012 period and \$10 million more thereafter.

Does the Bill Expand the Size and Scope of the Federal Government?: It creates a new water reclamation project for the Rancho, California, area.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain

“a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 1904 — New Mexico Water Planning Assistance Act (Wilson, R-NM)

Order of Business: The bill is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1904 would authorize \$3 million for each of fiscal years 2008 through 2012 for the Secretary of the Interior, upon request of a state governor, to:

- provide non-reimbursable technical assistance and non-reimbursable grants for the development of comprehensive state water plans;
- conduct water resources mapping in the requesting state; and
- conduct a comprehensive study of groundwater resources (including potable, brackish, and saline water resources) in the requesting state to assess the quantity, quality, and interaction of groundwater and surface water resources.

The authorizations would be allocated as follows:

- \$5 million to develop hydrologic models and acquire associated equipment for the New Mexico Rio Grande main stem sections and Rios Pueblo de Taos and Hondo, Rios Nambe, Pojoaque and Teseque, Rio Chama, and Lower Rio Grande tributaries;
- \$1.5 million to complete the hydrographic survey development of hydrologic models and acquire associated equipment for the San Juan River and tributaries;
- \$1 million to complete the hydrographic survey development of hydrologic models and acquire associated equipment for Southwest New Mexico, including the Animas Basin, the Gila River, and tributaries;
- \$4.5 million for statewide digital orthophotography mapping; and
- such sums as are necessary to carry out additional projects.

The federal share for any project authorized by this legislation would be 50%. The non-federal share could be in monetary or non-monetary format.

Committee Action: On April 17, 2007, the bill was referred to the Resources Committee, which, on April 23, 2007, referred it to its Subcommittee on Water and Power. The Subcommittee took no official action.

Cost to Taxpayers: According to a CBO score for an identical Senate bill (S. 255), the bill would authorize \$3 million for FY 2008 and \$14 million for the FY 2008-FY2012 period.

Does the Bill Expand the Size and Scope of the Federal Government?: Yes, the bill would create a new grant-and-assistance program.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.Res. 483 — Recognizing the 63rd Anniversary of Big Bend National Park, established on June 12, 1944 (*Rodriguez, D-TX*)

Order of Business: H.Res. 483 is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the resolution.

Summary: H.Res. 483 would express that the House of Representatives, “recognizes the 63rd anniversary of the founding of Big Bend National Park; and honors the National Park Service for their service to the Big Bend region and Big Bend National Park.”

The resolution lists the following findings:

- “Big Bend National Park is a scenic treasure of southwest Texas encompassing more than 800,000 acres;
- “Big Bend National Park manages nearly one quarter of the approximately 1000 mile stretch of the Rio Grande River that also serves as the boundary between the United States and Mexico;
- “along the boundary of the park, the flow of the Rio Grand River shifts from a southeasterly direction to the northeast, forming the bend after which the park is named;
- “Big Bend National Park is unique because it covers a variety of different ecosystems ranging from the Chihuahuan Desert to the Chisos Mountains;
- “Native people inhabited the area for thousands of years;
- “many people have traversed the Big Bend region in the past 150 years, including Spanish explorers, Comanche Indians, Mexican settlers, and American ranchers;
- “in 1933 the Texas Legislature, led by Everett Ewing Townsend, established the Texas Canyons State Park;
- “later that year the park was expanded and renamed Big Bend State Park;
- “Townsend later became known as the Father of Big Bend National Park;
- “between 1934 and 1942 the Civilian Conservation Corps worked diligently to make the park suitable for visitors; and

- “63 years ago Big Bend National Park, ‘Texas’ Gift to the Nation’, was officially established on June 12, 1944.”

Committee Action: H.Res. 483 was introduced on June 12, 2007, and referred to the Committee on Natural Resources. On June 14, 2007, the resolution was referred to the Subcommittee on Nation Parks, Forests, and Public Lands, which took no further action.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Expand the Size and Scope of the Federal Government? No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates? No.

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.Res. 526 — Supporting home ownership and responsible lending (*Cummings, D-MD*)

Order of Business: H.Res. 526 is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the resolution.

Summary: H.Res. 526 would express the sense of the House that “**Government action should be taken that protects buyers from unscrupulous mortgage brokers and lenders;**” [*Emphasis Added*] and that “specifically, such action should:

- “enforce rules to eliminate unfair and deceptive practices in sub-prime mortgage lending;
- “encourage lenders to evaluate a borrower’s ability to reasonably repay any mortgage loan;
- “establish clear minimum standards for mortgage originators;
- “require that disclosures clearly and effectively communicate necessary information about any mortgage loan to the potential borrower;
- “reduce or eliminate abuses in prepayment penalties;
- “address appraisal and other mortgage fraud;
- “raise public awareness regarding mortgage originators whose loans have high foreclosure rates; and
- “increase opportunities for loan counseling.”

The resolution lists the following findings:

- “home ownership is a powerful economic stimulus, both for individual homeowners and for the national economy;
- “in 2006, more than 75,000,000 Americans owned homes, and the home ownership rate was nearly 69 percent, a near record high;

- “the home ownership rate for non-Hispanic whites in 2006 was 76 percent, while the rate for African American households was only 48.2 percent; Hispanic households were at 49.5 percent, and Asian, Native Americans, and Pacific Islanders were at 60 percent;
- “this Nation experienced a housing boom from 2001 to 2006, due to historically low mortgage rates, rising home prices, and increased liquidity in the secondary mortgage market, all factors that led to the growth of the sub-prime mortgage industry;
- “the sub-prime market has created home ownership opportunities for lower-income people, families without access to down payments and people with little or no credit histories, but has also created opportunities for ‘predatory’ lending in which unscrupulous lenders have hidden the true cost of sub-prime loans from unsophisticated borrowers;
- “during the past few months, it has become increasingly clear that irresponsible sub-prime lending practices have contributed to a wave of foreclosures that are harming communities and disrupting housing markets;
- “higher cost sub-prime mortgage loans are most prevalent in lower-income neighborhoods with high concentrations of minorities (in 2005, 53 percent of African American and 37.8 percent of Hispanic borrowers took out sub-prime loans);
- “foreclosures are also costly from a legal and administrative standpoint, with the average foreclosure costing the borrower \$7,200 in administrative charges;
- “lenders do not typically benefit from taking over a delinquent owner’s property, losing thousands of dollars per foreclosure;
- “foreclosures can also be very costly for local governments because abandoned homes cost districts tax revenue;
- “a recent study calculated that a single-family home foreclosure lowers the value of homes located within one-eighth of a mile (or one city block) by an average of 0.9 percent and even more so (1.4 percent) in low to moderate-income communities; and
- “the time has come to raise awareness about the dangers of risky loans and to protect homeowners from unscrupulous lending practices.”

Committee Action: H.Res. 526 was introduced on June 28, 2007, and referred to the House Committee on Financial Services, which took no official action.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Expand the Size and Scope of the Federal Government? No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates? No.

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 556 — National Security Foreign Investment Reform and Strengthened Transparency Act (*Maloney, D-NY*)

Order of Business: H.R. 556 is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

A slightly different version of H.R. 556 was passed in the House on February 28, 2007, by a vote of 423-0. The present version has been amended to contain the exact same language as the Senate version of the bill, which passed, as amended, on June 29, 2007, by unanimous consent. If this version of the bill is passed, it will be sent to the president.

Note: Changes to the original House version of the bill are **written in bold**.

Summary: H.R. 556 would establish in law the Committee on Foreign Investment in the United States (CFIUS), by amending the Defense Production Act of 1950 (50 U.S.C App. 2170). CFIUS, established by Executive Order 11858 in 1975 by President Ford, is the federal committee that governs foreign direct investment (FDI) in the U.S., including acquisitions of U.S. companies by foreign entities. H.R. 556 would formalize and expand the review and investigation process under which CFIUS currently operates. The specific provisions of H.R. 556 are summarized below:

- Defines various terms in law relating to the operation of CFIUS and foreign investments, such as: covered transaction (any merger, acquisition, or takeover by or with a foreign person that could result in foreign control of any person engaged in U.S. interstate commerce), foreign government-controlled transaction (a covered transaction involving a foreign government or entity controlled by a foreign government), and national security (construed to include homeland security and its application to critical infrastructure); **critical infrastructure (assets, whether physical or virtual, that are so vital that the incapacity of such a asset would have a debilitating impact on national security); critical technologies (technology items that are critical to national defense); lead agency (the agency that is designated to lead a particular review of a transaction);**
- Directs CFIUS to review any proposed foreign merger or acquisition (covered transaction) of a U.S. entity, upon written notification or a motion made by a CFIUS member (discussed below), to determine the effects of the transaction on the national security of the United States;
- Requires CFIUS to conduct an investigation of the relevant transaction, if it is determined that a covered transaction is foreign government-controlled;
- Authorizes any party to a covered transaction to initiate a review of the transaction by submitting a written notice to the CFIUS chairman;

- Authorizes the President or any CFIUS member to initiate a review of any covered transaction (including transactions that have previously been reviewed, under certain circumstances); requires a review to be completed within 30 days of receipt of the written notice;
- Requires CFIUS to conduct an investigation of the effects of a transaction on the national security of the U.S. *if during a covered transaction review it is determined that:*
 - the transaction threatens to impair the national security of the U.S. and the threat has not been mitigated prior to completion of the review (or if the transaction is foreign-government-controlled);
 - a roll-call vote within CFIUS on a covered transaction results in at least one vote by a CFIUS member against approving the transaction; or
 - the National Intelligence Director identifies “particularly complex intelligence concerns that could threaten to impair the national security of the U.S.” and CFIUS members were not able to agree upon satisfactory measures to mitigate those threats;
- Requires the above investigation to be completed within 45 days, with certain exceptions and requirements;
- **Requires all transactions to undergo a 45 day, second-stage investigation if the transaction transfers control of critical infrastructure and CFIUS determines that the transaction could threaten national security;**
- **Requires that within 180 days of the enactment of the Act, CFIUS publish guidance on the types of transactions that it has reviewed and that have presented national security issues, including all covered transactions that have transferred critical infrastructure to or from a foreign government;**
- **Allows the president or any member of CFIUS to initiate an immediate second review of any transaction if it is found that any party to the transaction provided false or misleading testimony to the committee;**
- Requires that a covered transaction may not be approved (i.e. review or investigation treated as final or complete) until the review/investigation report and findings are approved by a majority of CFIUS members in a roll-call vote and are signed by the Secretary of the Treasury, Homeland Security, and Commerce Departments; the President, as well as the CFIUS Chair and Vice-Chair would have to sign the findings and report regarding any foreign-government-controlled transaction for which a roll-call vote yields at least one CFIUS member against approval;
- **Requires CFIUS and the applicable lead agency to submit a report to Congress on the results of any investigation, including what actions were taken with respect to the transaction and why;**

- Prevents a covered transaction involving a person of a country that has repeatedly provided support for international terrorism (or the government of such country) from being approved;
- States that the National Intelligence Director may neither be a member of CFIUS nor serve any policy role, other than to provide analysis on covered transactions;
- **Defines CFIUS membership to be comprised of the following 8 people (or their designees): the Secretaries of the Treasury, Homeland Security, Commerce, Energy, State, and Defense Departments, the Attorney General, and any other designee of the President from the Executive Office of the President;** requires consultation with other federal departments, agencies, and independent entities, as appropriate;
- Designates the Treasury Secretary as the Chairperson of CFIUS, **and the Homeland Security Secretary as the Vice Chairperson;**
- Authorizes \$10 million for each of fiscal years 2008-2011 for the Secretary of the Treasury to operate CFIUS;
- Implements a non-waiver of U.S. sovereign immunity, declaring that the U.S. is not liable for losses or expenses incurred by a party to a covered transaction, if the party did not comply with the defined CFIUS review process, including failure to submit a written notice of the transaction, or failure to wait until the completion of a review or investigation before consummating the transaction; that is, submitting notice to CFIUS remains voluntary, but if the U.S. has to take action to dissolve, suspend, or modify a transaction, the U.S. is not liable for costs incurred by the affected parties;
- **Allows the president to suspend or prohibit any covered transaction that threatens to impair national security within 15 days of the completion of an investigation;**
- **Requires presidential approval for any transfer involving a covered transaction with any government or individual on the State Department's watch list;**
- Allows CFIUS to negotiate, enter into or impose, and enforce any agreement or condition with any party to a covered transaction in order to mitigate any threat to national security;
- Directs CFIUS to designate a lead agency to monitor each approved transaction (such lead agency would have to periodically report to CFIUS on the implementation of the transaction and any modifications thereto);

- Increases congressional oversight of CFIUS, including requiring CFIUS to submit reports to Senate and House leadership and the relevant congressional committees on each completed review/investigation of a covered transaction, directing CFIUS to provide classified briefings to Congress as requested, and instructing CFIUS to submit to Congress an annual report containing:
 - A list of all notices filed and all reviews or investigations completed during the period with basic information on each party to the transaction, the nature of the business activities or products of all pertinent persons, along with information about the status of the review or investigation, information on any withdrawal from the process, any roll-call votes by CFIUS, any extension of time for any investigation, and any presidential decision or action under this section;
 - Specific, cumulative, and, as appropriate, trend information on the numbers of filings, investigations, withdrawals, and presidential decisions or actions under this section;
 - Cumulative and, as appropriate, trend information on the business sectors involved in the filings which have been made, and the countries from which the investments have originated;
 - Information on whether companies that withdrew notices from CFIUS have later re-filed such notices, or, alternatively, abandoned the transaction;
 - The types of security arrangements and conditions CFIUS has used to mitigate national security concerns about a transaction; and
 - A detailed discussion of all perceived adverse effects of covered transactions on the national security or critical infrastructure of the United States that CFIUS will take into account in its deliberations during the period before delivery of the next such report, to the extent possible;
- Directs the President to include, as part of the annual CFIUS report to Congress, an evaluation of whether:
 - there is credible evidence of a coordinated strategy by one or more countries or companies to acquire U.S. companies involved in research, development, or production of critical technologies (technologies essential to for which the U.S. is a leading producer; and
 - there are industrial espionage activities directed or directly assisted by foreign governments against private U.S. companies aimed at obtaining commercial secrets related to critical technologies;
- Directs the Secretary of the Treasury, in consultation with the Secretaries of State and Commerce, to study and report to Congress within **120** days of this bill's enactment on investments in U.S. critical infrastructure and industries affecting national security by:
 - foreign governments, entities controlled by or acting on behalf of a foreign government, or persons of foreign countries which comply with any boycott of Israel; or

--foreign governments, entities controlled by or acting on behalf of a foreign government, or persons of foreign countries which do not ban organizations designated by the Secretary of State as foreign terrorist organizations;

- Clarifies that parties to a covered transaction must certify that the information they file with CFIUS is complete and correct;
- Directs the President to issue regulations to carry out this legislation and specifies that, to the extent possible, the regulations minimize paperwork burdens and be made to coordinate with existing reporting requirements;
- Clarifies that no portion of this bill should be construed as affecting or altering other existing law, regulation, authority, process, investigation, enforcement measure, or review; and
- Makes the provisions of this legislation effective 90 days after enactment.

Additional Information: CFIUS is a federal interagency committee currently comprised of 12 members representing major agencies and departments (including Treasury, Justice, Commerce and Homeland Security Departments) within the federal executive branch. As defined by the Treasury Department website, CFIUS serves the President in overseeing the national security implications of foreign investment in the economy. For summary information on the role of CFIUS, please visit this Treasury website: <http://www.treasury.gov/offices/international-affairs/exon-florio/>. For additional information on the history of CFIUS, please view this recent CRS Report: <http://www.congress.gov/erp/rl/pdf/RL33388.pdf>.

RSC Bonus Fact: Four transactions submitted to CFIUS have required investigations since September 11, 2001—more than the previous 10 years combined. http://www.ofii.org/facts_figures/cfius.cfm

Committee Action: On January 18, 2007, H.R. 556 was referred to the Financial Services, the Energy & Commerce, and the Foreign Affairs Committees. On February 14, 2007, the Financial Services Committee marked up and ordered the bill reported to the full House by voice vote. The other two committees discharged the bill. On February 28, 2007, the bill passed the House, under a motion to suspend the rules, by a vote of 423-0. On March 1, 2007, the bill was received in the Senate and referred to the Committee on Banking, Housing, and Urban Affairs, which discharged it by Unanimous Consent on June 29, 2007. That same day, the Senate struck all after the enacting clause and substituted the language of S. 1610, and passed the bill, as amended, by voice vote.

Administration Position: A Statement of Administration Policy is unavailable.

Cost to Taxpayers: CBO confirms that H.R. 556 would authorize \$40 million over the FY2008-FY2011 period. In addition, CBO “expects that complying with the bill’s provisions would increase the administrative expenses of some federal agencies, but

because of the confidential nature of the CFIUS review process, the number of agencies involved, and the confidential information needed to prepare an estimate for some provisions of the legislation, CBO cannot determine a precise estimate of the likely total costs of this bill.”

Does the Bill Expand the Size and Scope of the Federal Government?: CFIUS currently exists and operates under an Executive Order. This bill codifies its functions into law and expands its reach and Congress’ oversight function.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: The Financial Services Committee, in House Report 110-24, cites constitutional authority in Article 1, Section 8, Clauses 1 (the congressional power to promote the general welfare of the United States) and 3 (the congressional power to regulate interstate commerce).

Outside Organizations: A variety of business organizations have encouraged the passage of this bill, prior to being amended by the Senate.

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 660 — Court Security Improvement Act of 2007 (*Conyers, D-MI*)

Order of Business: H.R. 660 is scheduled to be considered on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 660 would establish new laws and penalties and authorize \$350 million over five years to improve safety for federal judges, their families, and those who work at federal courthouses. The bill increases penalties for crimes against judges and their family members; increases penalties for crimes against court employees; increases penalties for witness intimidation; and prohibits the possession of dangerous weapons in federal courthouses. The specific provisions of H.R. 660 are summarized below:

- Requires the Director of the U.S. Marshals Service and the U.S. Judicial Conference to continually consult with each other concerning security requirements for the judicial branch in order to insure that the views of both entities are taken into account when determining staffing levels, judicial security priorities, and allocating judicial security resources;

- Establishes a crime for intentionally filing a false lien or encumbrance against the property of a judge, his family, or any court personnel on account of the performance of their duties, punishable by up to 10 years in prison;
- Establishes a crime for knowingly distributing personal information about a judge, his family, or any court personnel with the intent to threaten, intimidate, or incite a crime, punishable by up to five years in prison;
- Bans all “dangerous weapons” from courts (currently, only guns are banned);
- Permits the U.S. Marshal Service to provide security for federal tax courts, which they can only currently do under special circumstances;
- Authorizes \$20 million annually between FY2008 and FY2013 in order for the U.S. Marshal Service to higher new employees for the purposes of providing judicial security, providing protective detail to individuals, and providing secure computer systems;
- Increases the minimum sentence for crimes committed against a witness, victim, or informant in retaliation for their testimony from 20 years to 30 years;
- Increases the minimum sentence for crimes committed against a witness, victim, or informant that caused injury or harm to the person against whom they testified from 10 years to 20 years;
- Increases the minimum sentence for the threat of violence against a witness, victim, or informant from 10 years to 20 years;
- Increases the minimum sentence for the harassment of a witness, victim, or informant from one year to three years;
- Increases the maximum federal penalty for manslaughter (of any victim) from 10 years to 20 years and increases the maximum penalty for involuntary manslaughter from six years to 10 years;
- Increases the federal penalty for assault (of any victim) from anywhere between one year in prison 10 years in prison in a case of simple assault;
- Increases the maximum federal penalty for assault that results in “serious bodily injury” to 15 years and increases the maximum penalty for assault with a deadly weapon to 30 years in prison;
- Authorizes \$20 million in grants annually between FY2008 and FY 2012 for states to asses and change courtroom safety; \$20 million in grants annually between FY2008 and FY 2012 for state, local, and tribal governments to

improve their witness protection programs; and \$10 million in grants annually between FY2008 and FY 2012 for fugitive apprehension task forces;

- Requires the U.S. Courts to increase life insurance payments for bankruptcy court and district judges.

Committee Action: On January 24, 2007, H.R. 660 was referred to the Committee on the Judiciary, the Committees on Ways and Means, and the Committee on Oversight and Government Reform. On March 1, 2007, bill was referred to the Judiciary Subcommittee on Crime, Terrorism, and Homeland Security, which held a mark up and ordered the bill reported to the full Committee by voice vote on June 7, 2007. The Judiciary Committee held a mark up and reported the bill, as amended, by voice vote on June 13, 2007.

Cost to Taxpayers: According to CBO, H.R. 660 would authorize \$75 million in FY2008 and \$350 million over the FY2008-FY2012 period.

Does the Bill Expand the Size and Scope of the Federal Government?: The bill would increase the penalties for numerous crimes related to judges, their families and court personnel, as well as manslaughter and assault regardless of the victim. H.R. 660 also creates new grant programs for state, local, and tribal governments to increase protection for judicial employees and witnesses.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 1979 — To require any Federal or State court to recognize any notarization made by a notary public licensed by a State other than the State where the court is located when such notarization occurs in or affects interstate commerce (Aderholt, R-AL)

Order of Business: The bill is scheduled for consideration on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill, as amended.

Summary: H.R. 1979 would require federal courts to recognize any notarization made by a notary public licensed under the laws of another states (other than the state where the court resides) when the notarization affects interstate commerce. The bill would also

require state courts to recognize any notarization made by a notary public licensed under the laws of another state when the notarization affects interstate commerce.

Additional Background: Under current law, each state determines the laws and regulations regarding notary publics and notarization, and what notarizations are acceptable. Often, a document notarized by a licensed notary public of one state will not be accepted in another state. For additional information on notary publics, please visit: <http://www.nationalnotary.org/>.

Committee Action: On April 20, 2007, H.R. 1979 was introduced to the Committee on the Judiciary. On May 4, 2007, the bill was referred to the Subcommittee on Courts, the Internet, and Intellectual Property, which took no official action.

Cost to Taxpayers: A CBO score of H.R. 1979 is unavailable, but the bill does not authorize new expenditures.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

S. 1701 — A bill to provide for the extension of transitional medical assistance (TMA) and the abstinence education program through the end of fiscal year 2007, and for other purposes (*Sen. Baucus, D-MT*)

Order of Business: The bill is scheduled for consideration on Tuesday, July 10, 2007, under a motion to suspend the rules and pass the bill, as amended.

Summary: S. 1701 would amend current law to extend the transitional medical assistance (TMA) and abstinence education program, which expired on June 30, 2007, through the end of FY2007.

Additional Background: According to CQ, the TMA program is designed to “ease the transition from welfare to work by allowing families to continue their Medicaid coverage for up to four months as their income levels rise above the normal qualification ceilings.” It is estimated that two million Americans currently receive their health coverage under the program.

Committee Action: S. 1701 was introduced in the Senate on June 27, 2007, and read three times and passed by unanimous consent. On the same day the bill was received in the House, which took no official action.

Cost to Taxpayers: A CBO score of S. 1701 is unavailable.

Does the Bill Expand the Size and Scope of the Federal Government?: It extend the length of the TMA program.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: A committee report citing constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” [*emphasis added*]

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.
